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SUBJECT: LABOUR UNIONS STRUGGLING IN GRENADA AS RECESSION
HITS WORKERS HARD

SUMMARY

11. (U) Labor unions are struggling in Grenada as the global recession is deeply affecting their members. Unemployment is estimated by the government at over 30 percent, but so far, large scale layoffs have been averted. Labor, the government and the business community are engaged in negotiating a formal social partnership protocol similar to the successful social partnership arrangement that has been in place in Barbados for the last two decades. The Ministry of Labor and the unions are eager to host an OSHA workshop in Grenada, following on the successful OSHA workshop just concluded in Barbados. The Ministry of Labor would also like assistance in setting up a labor statistics collection project. End summary.

TAWU's Long, Militant History in Grenada

12. (U) Senator Chester Humphreys, President of the Trade and Allied Workers Union and General Secretary of the umbrella Trade Union Congress, provided Emboff with a broad overview of the state of the labor movement in Grenada during meetings on September 21. Grenada has the highest percentage of unionized workers in the region, with more than 60 percent of workers in the formal sector belonging to a union. Given the widespread unemployment and the dramatic rise in the informal sector, he said, fewer workers are working in the formal economy so total union membership is closer to 40 percent of all workers. TAWU and the other eight formal unions have a long history of militancy dating back to their founding in the 1920s. During the height of their influence in the 1970s they completely dominated the port and the agricultural business sector. Since then Humphreys noted they have lost influence with the decline of the agricultural sector and the gradual liberalization of trade. They have also become more pragmatic in recent years and have lost their militant zeal, he confessed.

Private Sector Unions Grumble,...

13. The TAWU is concerned about meeting the needs of its members, many of whom have been suffering with rising unemployment in Grenada and the collapse of the social safety net. TAWU is negotiating with the government and the Grenada Employees Federation to form a social partnership protocol similar to the successful social partnership in Barbados. Negotiations have reached a stalemate, but Humphreys said he

is hopeful that an agreement will be reached eventually. The major stumbling blocks are the union's desire to set up a public bus system to replace the current private bus system, reforms to the health care system, and revamping of the VAT which is finally due to be implemented in February, 2010.

14. (U) The President of the Bank and General Workers Union, Justine Campbell, echoed many of Humpreys' points in separate meetings on September 21. He pointed out that many of the smaller shops in town pay less than minimum wage to employees. He said that most companies in town are taking a progressive attitude towards layoffs and that there have been few large scale layoffs. He noted that his union is stretched pretty thin with requests for financial assistance, particularly regarding health care costs.

15. (U) The head of the Grenada Seamen and Waterfront Union, Lyle Samuel, complained that, due to the slow economy, there is less work for their members. He also complained that younger workers in Grenada don't seem to have a good work ethic. He mentioned that many of the traditional male-dominated jobs in Grenada are now being filled with young women who have a much better work ethic than their male counterparts.

...And Public Sector Union Commiserates

16. (U) President of the Public Workers Union, Madonna Hartford, represents 6,000 workers out of the total 70,000 workers in Grenada -- a significantly smaller public sector than in the other islands of the Eastern Caribbean. All

government workers are assessed dues, she said, but only half are members of the union. The union nevertheless provides services to all public sector employees regardless of union membership. The union offers a pension scheme and health insurance to its membership, and most members join the union to access these benefits. The PWU shares many of the concerns of TAWU regarding the social partnership negotiations. They are more flexible on the issue of setting up a public bus system. They would be willing to accept reactivating the Public Bus Commission to impose some regulations over the highly unregulated bus system. Their bottom line is to increase bus service at night and to rural areas. Many workers are stranded at night if they miss the last bus. This is particularly a problem in the hotel industry where shift work is common. The other major concern of the PWU is concluding a contract with the government. The current contract lapsed in 2008. They expect to negotiate a new contract by the end of the year.

No Labor Stats in Grenada

17. (U) Minister of Labor Karl Hood told Emboff that one of his priorities is to set up a statistical unit within the Ministry. Grenada has never kept labor statistics and so estimates of unemployment are just that -- estimates. Grenada has no formal labor market statistics so it is impossible for the Ministry to do any long-term planning. Improving Occupational and Health standards is another one of the Minister's priorities. Currently labor inspectors look at health and safety violations as part of their overall labor inspections as there are no dedicated health and safety inspectors. Most private companies are simply not focused on health and safety issues.

Comment

18. (U) The unions are eager to shed their image of militancy and have embraced a more pragmatic approach in coping with the difficult economic times. The labor union leaders all welcome increased engagement with the USG and are interested

in having OSHA do a workshop in the region. The Labor Ministry is additionally interested in receiving assistance from the U.S. Bureau of Labor statistics, a request we promised to pass along. Many of the labor leaders have been to the U.S. on IVLP grants, and they are eager to continue working with the USG.

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